

CORPORATE MERCHANT BANKERS LIMITED

Date: 08/12/2020

Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Scrip Code: 540199	Listing Department Metropolitan Stock Exchange of India Limited Vibgyor Towers, 4th floor, Plot No C 62, G - Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai – 400 098
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Sub- Notice and Annual Report for Financial Year 2019-20

Ref – Corporate Merchant Bankers Limited

Dear Sir/Madam

We enclosed herewith Notice of 26th Annual General Meeting along with Annual Report for F.Y 2019-20 of the Corporate Merchant Bankers Limited to be held on Thursday 31st December 2020 at 10 a.m.

We request you to kindly take the same on your records.

You are requested to kindly take note of the same.

Thanking You,

Yours faithfully,

Yours faithfully,

For Corporate Merchant Bankers Limited


Parne Venkateshwar Reddy
Director
DIN: 06446233



CORPORATE MERCHANT BANKERS LIMITED

**26TH ANNUAL REPORT
2019-2020**

REGISTERED OFFICE:

**UG-24, VISHWADEEP TOWER, DISTRICT CENTRE, JANAK PURI,
NEW DELHI - 110 058**

BOARD OF DIRECTORS

MR. PARNE VENKATESHWAR REDDY	NON-EXECUTIVE NON INDEPENDENT DIRECTOR
MR. SATYANARAYANA KADURI	EXECUTIVE DIRECTOR
MRS. SUKANYA PITTALA (Appointed on 07 th Feb, 2020)	INDEPENDENT DIRECTOR
MR. NAUBAHAR SINGH	INDEPENDENT DIRECTOR
MS. VANDANA GUPTA (Resigned on 07 th Feb, 2020)	INDEPENDENT DIRECTOR

KEY MANAGERIAL PERSONNELS (KMPS)

MR. SATYANARAYANA KADURI	CHIEF EXECUTIVE OFFICER
MR. SURESH KUMAR CIDDAM	CHIEF FINANCIAL OFFICER
MS. HEMA KUMARI (Appointed on 01 st Jan, 2020)	COMPANY SECRETARY & COMPLIANCE OFFICER

AUDITORS

MR. MULRAJ D GALA CHARTERED ACCOUNTANT	STATUTORY AUDITORS
M/S. VCSR & ASSOCIATES PRACTICING COMPANY SECRETARIES	SECRETARIAL AUDITORS
M/S. ARR & CO.	INTERNAL AUDITORS

REGISTRAR & SHARE TRANSFER AGENT

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

BANKERS

ICICI BANK LIMITED

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**NOTICE OF 26TH
ANNUAL GENERAL MEETING**

CORPORATE MERCHANT BANKERS LIMITED

Notice of 26th Annual General Meeting

Notice is hereby given that the 26th Annual General Meeting of Members of Corporate Merchant Bankers Limited will be held on Thursday, December 31, 2020, at 10:00 A.M. at UG-24, Vishwadeep Tower, District Center, Janakpuri, New Delhi-110058, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements

To receive, consider and adopt (a) the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Auditors thereon and in this regard, pass the following resolution(s) as an **Ordinary Resolution(s)**:

“RESOLVED THAT the audited financial statements of the company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and hereby considered and adopted.

RESOLVED FURTHER THAT the audited consolidated financial statements of the company for the financial year ended March 31, 2020 and the reports of Auditors thereon laid before this meeting, be and hereby considered and adopted.”

2. Re-appointment of Mr. Satyanarayan Kaduri, (DIN: 06806811), director who retires by rotation.

To appoint a director in the place of **Mr. Satyanarayan Kaduri, (DIN: 06806811)**, who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of the Section 152 of the Companies Act, 2013, **Mr. Satyanarayan Kaduri, (DIN: 06806811)**, who retire by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. Regularization of appointment of Ms. SUKANYA PITTALA (DIN: 08146455) as director of the company.

The Chairman informed the members about the appointment of Ms. Sukanya Pittala as Additional Director in the Company from 7th February 2020, as per Companies Act, 2013 pursuant to sec 161 the appointment of additional director on the Board of Director needs to be regularized as the Director in the Company and the following resolution was passed:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013, **Ms. SUKANYA PITTALA (DIN: 08146455)**, who was appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013

Registered Office: UG-24, Vishwadeep Tower, District Centre, JanakPuri, New Delhi-110058

E-mail: cmbldelhi@gmail.com , Website: www.cmbldelhi.co.in , Tel: +91-11-65382244

CIN: L74899DL1994PLC061107

with effect from, 7th February 2020 be and is hereby appointed as a Director of the Company with immediate effect here after.

RESOLVED FURTHER THAT any director of the Company be and is here by authorized to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

**By order of the Board
For Corporate Merchant Bankers Limited**

Sd/-

**(VENKATESHWAR PARNE REDDY)
Director
DIN:06446233**

**Date: December 05, 2020
Place: New Delhi**

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) and the relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking re-appointment as Directors, is detailed as below.
2. **A member entitled to attend and vote at the annual general meeting is entitled to appoint another person as a proxy to attend and vote, on his/her behalf in the meeting and such person can act as a proxy on behalf of members of the company not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A proxy need not be a member of the company.**
3. The instrument appointing the Proxy, duly completed must be deposited at the Company’s Registered Office not less than 48 hours before the commencement of the meeting. A Proxy form for the Annual General Meeting is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. Pursuant to the provisions of section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Friday December 25, 2020 to Thursday, December 31, 2020 (both days inclusive) for the purpose of the Annual General Meeting.
7. The Company’s Registrar and Transfer Agents for its share registry (both, physical as well as electronic) is M/s. Skyline Financial Services Private Limited having its office at D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110 020.
8. Members who are holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintain their demat accounts. Members holding shares in physical mode are requested to advice any change in their address or bank mandates to the Company/Skyline Financial Services Private Limited.
9. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the company a certified true copy of the relevant Board resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the meeting.

10. To support the 'Green Initiative', members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.
11. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report 2020 will also be available on the Company's website www.cmbi.co.in. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at cmbidelhi@gmail.com
12. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or our Registrar & Transfer Agents.
14. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. Members, who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
17. Members/Proxies/Authorized Representatives are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 26th Annual General Meeting to be held on Thursday, December 31, 2020, at 10:00 A.M. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the e-voting facility:

The e-voting facility is available at the link
<http://www.evotingindia.com>

19. The facility for voting through poll shall be made available at the AGM, to all the members attending the AGM, who have not opted e-voting facility. Further, the members who have opted e-voting facility may also attend the AGM but shall not be entitled to cast their vote again at the AGM.
20. Person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
21. E-voting commences on December 28th, 2020 at 9:00 A.M. and will end at December 30th, 2020 at 5:00 P.M. and at the end of e-voting period, the facility shall forthwith be blocked.
- 22. The Detailed instructions on remote e-voting is made part of a separate sheet "Instructions for e-voting" attached to this Notice.**
23. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection in physical or electronic form at the Registered Office of the Company during business hours on all working days upto the date of declaration of the result of the 26th Annual General Meeting of the Company and the copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the Company and also at the meeting.

**By order of the Board
For Corporate Merchant Bankers Limited**

Sd/-

**(VENKATESHWAR PARNE REDDY)
Director
DIN: 06446233**

**Date: December 05, 2020
Place: New Delhi**

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on December 28, 2020 at 9:00 A.M. and will end at December 30, 2020 at 5:00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of December 24, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

***sequence number shall be as per separate sheet attached with the Annual report**

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in

the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the <Corporate Merchant Bankers Limited> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- (i) The e-voting period commences on December 28, 2020 at 9:00 A.M. and will end at December 30, 2020 at 5:00 P.M.(IST). During this period, Members holding shares either in physical form or in dematerialized form, as on December 24, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- (ii) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through electronic voting system or poll paper.
- (iii) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on www.evotingindia.com.
- (iv) Mr. Ch Veerajaneyulu, Practicing Company Secretary (Membership No. 6121), has been appointed as Scrutinizer to scrutinize the e-voting process (including the Ballot Forms received from the members who do not have access to the e-voting process) in a fair and transparent manner.
- (v) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- (vi) The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.cmbl.co.in and on the website of CDSL www.cdslindia.com immediately.

**By order of the Board
For Corporate Merchant Bankers Limited**

Sd/-

**(VENKATESHWAR PARNE REDDY)
Director
DIN:06446233**

**Date: December 05, 2020
Place: New Delhi**

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING (IN PURSUANCE) OF REGULARISATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name of the Director	Satyantarayan Kaduri
Date of Birth	26/06/1980
Date of First Appointment	11/11/2014
Expertise in specific Functional Areas	Well experienced in the areas of Financial Management, Budgeting and Investments
Number of shares held in the Company	Nil
Qualification	CMA (Cost Accountant)
Name of Listed Companies in which Directorship held	Nil
Membership of the Committees of the Board of Companies in which he/she is a Director	Nil
No. of Meetings of the Board attended during the Financial Year 2019-20	06 (Six)
Relationship with other Directors, Manager and Other Key Managerial Personnel of the Company	No relationship with any Director, Manager and other Key Managerial Personnel of the Company

**By order of the Board
For Corporate Merchant Bankers Limited**

**Sd/-
(VENKATESHWAR PARNE REDDY)
Director
DIN:06446233**

**Date: December 05, 2020
Place: New Delhi**

DIRECTOR'S REPORT

F.Y 2019-20

DIRECTORS' REPORT

To the Members,

We are pleased to present the 26th Annual Report on our business and operations for the year ended March 31, 2020, of Corporate Merchant Bankers Limited ("Company") along with the audited consolidated and standalone financial statements for the year ended March 31, 2020.

1. BACKGROUND:

Company was incorporated under Companies Act, 1956 on August, 26 1994. The Company is a Non Deposit Accepting Non-Banking Finance Company ("NBFC"), holding "Certificate of Registration no.: 14.00060 from the Reserve Bank of India ("RBI") dated February 24, 1998. Equity Shares of the Company are listed on BSE Limited (BSE) and Metropolitan Stock Exchange of India Limited (MSEI) (formerly known as MCX Stock Exchange Limited)

2. FINANCIAL SUMMARY/HIGH LIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE/CONSOLIDATED):

The Company's financial results are as under:

Description	Standalone		Consolidated	
	31.03.20	31.03.19	31.03.20	31.03.19
Total revenue	17,81,456	16,16,757	17,81,456	16,16,757
Expenses:				
Employee Benefit Expenses	1,15,765	3,26,565	1,15,765	3,26,565
Other Expenses	10,72,474	6,96,361	10,87,549	7,12,750
Preliminary Expenses	5,72,500	5,72,500	5,82,500	5,82,500
Profit before tax	20,717	21,331	(4,358)	(5,058)
Tax Expenses:				
Less: Current tax	5,386	8,172	5,386	8,172
Add: Deferred tax	-	-	-	-
Profit after tax	15,331	13,159	-9,744	-13,230
Earnings Per Share (EPS)				
Basic	0.00	0.00	0.00	0.00
Diluted	0.00	0.00	0.00	0.00

3. BUSINESS PERFORMANCE

The Company is a Non-Banking Financial Company registered with the Reserve Bank of India. There has been no change in the business of the Company, during the year under review.

The consolidated revenue of the Company for the year ended March 31, 2020 stood at 17,81,456/- as against Rs. 16,16,757/- for the previous year. The consolidated Net loss for the financial year ended March 31, 2020 stood at Rs. 9,744/- as against the previous year's Net Loss of Rs. 13,230/-. The Reserves and Surplus as of March 31, 2020 stood at Rs.5,75,978/- as against Rs. 5,85,722/- of the period as of March 31, 2019. The above figures are extracted from the financial statements as per IND-AS

The Standalone revenue of the Company for the year ended March 31, 2020 stood at 17,81,456/- as against Rs. 16,16,757/-for the previous year. The Standalone Net Profit for the financial year ended March 31, 2020 stood at Rs. 15,331/- as against the previous year's Net Profit of Rs. 13,159/-. The Reserves and Surplus as of March 31, 2020 stood at Rs. 6,87,672/- as against Rs. 6,72,341/- of the period as of March 31, 2019. The above figures are extracted from the financial statements as per IND-AS.

4. STATE OF THE COMPANY'S AFFAIRS

Your Company continues to take effective steps in broad-basing its range of activities as the company is a NBFC and the main business of the Company is to make investment and to give loans & advances. The performance of the Company during the period under review has been satisfactory.

5. TRANSFER TO RESERVES

As per provisions of Section 45-IC of Reserve Bank of India Act, 1934, the NBFC Company is required to transfer sum not less than twenty percent of its net profit every year. Therefore, the Company has transferred Rs. 3,066/-, being twenty percent of net profits for the financial year to the Statutory Reserve.

6. DIVIDEND

In view of need to conserve the resources of the company for the future growth, your Company's Directors do not recommend any dividend to the shareholders of the Company for the Financial Year 2019-20

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

In the opinion of the Board, there has been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

8. SUBSIDIARIES

Details of Subsidiary Companies, Joint Ventures and Associate Companies, and their financial position.

Your Company has 1 (one) subsidiary company for the financial year ended on March 31, 2020. The information as required under the first proviso to sub-section (3) of Section 129 is given in Form AOC-1 in **Annexure I**.

9. SHARE CAPITAL

The paid up equity share capital as on March 31, 2020 was Rs. 3,30,00,000. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

10. FAMILIARIZATION PROGRAMME

The Company has formulated a Familiarization Programme for Independent Directors with an aim to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc., to provide them with better understanding of the business and operations of the Company and so as to enable them to contribute significantly to the Company.

11. RISK MANAGEMENT POLICY

Risk Management Policy identifies, communicate and manage risks across the organization. The policy also ensures that responsibilities have been appropriately delegated for risk management. Key Risk and mitigation measures are provided in the Management Discussion and Analysis annexed to the Annual Report.

12. INTERNAL FINANCIAL CONTROL SYSTEM

The Company has in place adequate internal financial controls across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

13. VIGIL MECHANISM

The Company believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to develop a culture in which every employee feels free to raise concerns about any poor or unacceptable practice and misconduct. In order to maintain the standards has adopted lays down this Whistle Blower Policy to provide a framework to promote responsible and secure whistle blowing. The Board of Directors of your Company has adopted the Vigil Mechanism and Whistle Blower Policy in compliance of Companies Act, 2013.

14. HUMAN RESOURCES

The Company seeks to nurture a mutually beneficial relationship with its employees. This relationship is characterized by the investment which the Company makes in its employees by providing challenging roles and assignments opportunities for personal growth, relevant and timely performance support, training and an enabling environment. The Company seeks to create a workplace which combines achievement orientation with care for employees. The Company lists 'people' as one of its stated core values.

Your Company takes the pride in the Commitment, Competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR Policies to the growing requirements of the business.

15. COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock

Exchange(s), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) etc.

The Company has complied with all applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, Listing Agreement executed with the Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

16. DEPOSITS

During the year under review, the Company has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 and rules made thereunder. There is no unclaimed or unpaid deposit lying with the Company.

17. RBI GUIDELINES

As a Non Deposit taking Non-Banking Finance Company, your Company always aims to operate in compliance with applicable RBI laws and regulations and employs its best efforts towards achieving the same.

18. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONNEL

Ms. Vandana Gupta has resigned from board on 7th Feb 2020

Ms. Sukanya Pittala has been appointed as Director from 7th Feb 2020

Ms. Hema Kumari has been appointed as Company Secretary and Compliance officer on 1st January 2020

RE-APPOINTMENT

As per Article 34(1) of the Articles of Association of the Company, one third of the Directors are liable to retire by rotation at the Annual General Meeting of the Company. Mr. Kaduri Satyanarayana, Director is liable to retire by rotation.

19. EVALUATION OF DIRECTORS, BOARD AND COMMITTEES

As required under the provisions of Section 134(3)(p), the Board has carried out an annual performance evaluation of its own performance, and the manner in which such performance evaluation was carried out is as under:

The performance evaluation framework is in place and has been circulated to all the directors to seek their response on the evaluation of the entire Board and independent directors. The Nomination and Remuneration & Compensation Committee has carried out evaluation of director's performance.

The criteria of evaluation is exercise of responsibilities in a bona fide manner in the interest of the Company, striving to attend meetings of the Board of Directors/ Committees of which he/she is a member/general meetings, participating constructively and actively in the meetings of the Board/committees of the Board etc.

20. PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Directors	Ratio to median remuneration*
Venkateshwar Parne Reddy	NIL
Satyanarayana Kaduri	NIL
Naubahar Singh	NIL
Sukanya Pittala	NIL

*the expression "median" mean the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one.

- ii) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year:** Nil
- iii) **The percentage increase in the median remuneration of employees in the financial year:** NIL
- iv) **the number of Permanent employees on the rolls of the company :** 2 (Two)
- v) **average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** There was no remuneration paid to Directors. Hence, the comparison between the two cannot be made.
- vi) **the key parameters for any variable component of remuneration availed by the directors:** Nil
- vii) **Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OR MANAGERIAL PERSONNEL) RULES, 2014

There is no directors/employees in the Company for which disclosure have to be made under the provisions of Rule 5 (2) & (3) of the Companies (Appointment and Remuneration or Managerial Personnel) Rules, 2014.

A. Details of Top ten employees in terms of remuneration drawn:

Name & Designation	Age	Remuneration	Nature of Employment	Qualification & Experience	Date of commencement of Employment	Last Employment	% of Equity Share held	Whether related to Director or Manager
Satyanarayana Kaduri (CEO and Director)	40	NIL	Whole Time	B.Com, ICWA and 12 years appx.	02.02.2016	GRM Projects & Constructions Pvt. Ltd.	Nil	No
Suresh Kumar Ciddam (CFO)	45	NIL	Whole Time	M.Sc (IT) and 10 years appx.	02.02.2016	RAM Informati cs Ltd.	Nil	No

B. Details of other employees under aforesaid Rules:

Nil

21. COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Company's policy on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub section (3) of Section 178 of the Companies Act, 2013, as is adopted by the Board.

The Company has adopted a comprehensive policy on Nomination and Remuneration of Directors on the Board. As per such policy, candidates proposed to be appointed as Directors on the Board shall be first reviewed by the Nomination and Remuneration Committee in its duly convened Meeting. The Nomination and Remuneration Committee shall formulate the criteria for determining the qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the Remuneration for the Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee shall ensure that—

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) Remuneration to directors and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. During the year under review, none of the Directors of the company receive any remuneration.

22. INDEPENDENT DIRECTORS

The Board has received the declaration from all the Independent Directors as per the Section 149(7) of the Companies Act, 2013 and the Board is satisfied that all the Independent Directors meet the criterion of independence as mentioned in Section 149(6) of the Companies Act, 2013.

23. SEPARATE MEETING OF INDEPENDENT DIRECTORS

In due compliance with the provisions of the Companies Act, 2013 read with the rules made there under a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the Board, its committees and individual directors was discussed.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE U/S 186

Corporate Merchant Bankers Limited is a registered NBFC and the main objects of the Company is to provide loan, guarantees and made investments. Hence, the Company does not fall under the purview of the provisions of Section 186 of the Companies Act, 2013 and rules made there under w.r.t its investment and lending activities. Details of Loans, Guarantees and Investments are given in the notes to the Financial Statements.

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the rules made there under and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 along with the justification for entering into such contract or arrangement in Form AOC-2 does not form part of the report.

26. MEETINGS OF THE BAORD

The agenda and Notice for the Meetings is prepared and circulated in advance to the Directors. The Board of Directors of the Company met Six (06) times during the financial year 2019-20 on 19.04.2019, 30.05.2019, 08.08.2019, 31.08.2019, 05.09.2019, 22.10.2019, 14.11.2019, 01.01.2019, 07.02.2020 Details of attendance of board meetings by directors are as follows:

Name of the Director	Nos. of meetings attended
Parne Venkateshwar Reddy	09
Satyanarayana Kaduri	09
Vandana Gupta	09
Naubahar Singh	09
Sukanya Pittala	Nil

The necessary quorum was present in all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Companies Act, 2013.

27. COMMITTEES OF THE BOARD:

AUDIT COMMITTEE:

The Audit Committee comprises of three directors namely, Mr. Venkateshwar Parne Reddy – Chairman, Ms. Vandana Gupta, Mr. Naubahar Singh.

The Audit Committee met Four (4) times during the financial year 2019-20 on 30.05.2019, 08.08.2019, 14.11.2019 and 07.02.2020. Details of attendance of board meetings by directors are as follows:

Name of the Member	Nos. of meetings attended
Parne Venkateshwar Reddy	4
Vandana Gupta	4
Naubahar Singh	4

During the year under review, the Board accepted all the recommendations made by the Audit Committee of the Board.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee comprises of three directors namely, Mr. Venkateshwar Parne Reddy – Member, Ms. Vandana Gupta-Member, Mr. Naubahar Singh-Chairman .

The Nomination and Remuneration Committee met two (2) times during the financial year 2019-20 on 05.09.2019 and 07.02.2020. Details of attendance of board meetings by directors are as follows:

Name of the Member	Nos. of meetings attended
Venkateshwar Reddy Parne	02
Vandana Gupta	02
Naubahar Singh	02

STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee looks into the redressal of the shareholders complaints in respect of any matter including transfer of shares, non -receipt of annual report, non -receipt of declared dividend etc. As on date, this Committee comprises of three directors namely, Mr. Venkateshwar Parne Reddy- Chairman, Ms. Vandana Gupta-Member, Mr Naubahar Singh-Member.

The Stakeholder Relationship Committee meet two (2) times during the financial year 2019-20 on 05.09.2019 and 07.02.2020. Details of attendance of board meetings by directors are as follows:

Name of the Member	Nos. of meetings attended
Venkateshwar Reddy Parne	02
Vandana Gupta	02
Naubahar Singh	02

RISK MANAGEMENT COMMITTEE:

The Company had re-constituted the Risk Management Committee. As on date, this Committee comprises of three directors namely, Mr. Venkateshwar Parne Reddy- Chairman, Ms. Vandana Gupta - Member, Mr.Naubahar Singh - Member.

Risk Management Committee not met during the financial year 2019-2020.

28. Auditors

STATUTORY AUDITORS

Mr. Mulraj D Gala, Chartered Accountants (Membership Number 041206) who are the Financial Auditors of the Company hold office as financial auditors until the conclusion of the 30th Annual General Meeting of the Company.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit has been carried out by M/s. VCSR & Associates, Practicing Company Secretaries, and his report is annexed as **Annexure II**.

INTERNAL AUDITORS

M/s. ARR & Co., Chartered Accountants, had appointed by the Board of Directors of the Company to conduct the Internal Audit of the Company as per the provisions of the Companies Act, 2013 read with the Rules made there under.

29. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as **Annexure III**.

30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company primarily being an investment company and not involved in any industrial or manufacturing activities, the Company has no particulars to report regarding conservation of energy and technology absorption as required under section 134 of the Companies Act, 2013 and Rules made there under. During the year under review, the Company does not have any Foreign Exchange Earnings and outgo.

31. DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 (5) OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 the Directors of your company confirm that:

- a) In the preparation of the Annual Accounts for the financial year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts for the financial year ended March 31, 2020, on a "going concern basis".
- e) The Board of Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Board of Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- g) The Board of Directors have adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

32. CORPORATE GOVERNANCE

Since, the paid-up capital of the Company is less than Rs. 10 Crores and Net worth is less than Rs. 25 Crores, the provisions of the Corporate Governance as stipulated under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. However, your Company has made every effort to

comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served. It has always been the Company's endeavor to excel through better Corporate Governance and fair & transparent practices, many of which have already been in place even before they were mandated by the law of land.

The management of Company believes that it will further enhance the level of Corporate Governance in the Company.

33. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the rules made there under, the criteria for companying with the CSR activity does not applicable to the Company throughout the year.

34. DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules there under, the Company has not received any complaint of sexual harassment during the year under review.

35. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There has been no significant and material order passed by any regulator, courts or tribunals impacting the going concern status and operations of the Company in future.

36. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report has been appended separately, which forms part of this report and the Annual Report.

37. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

38. ACKNOWLEDGEMENT

Your Directors take this opportunity to express the gratitude to all investors, clients, vendors, bankers, Regulatory and Government authorities, Stock Exchanges and business associates for their cooperation, encouragement and continued support extended to the Company. Your Directors also wish to place on record their appreciation to the Associates for their continuing support and unstinting efforts in ensuring an excellent all round operational performance at all levels.

**By Order of Board
Corporate Merchant Bankers Limited
Sd/-**

Sd/-

Date: December 05 2020 (SATYANARAYANAKADURI) (PARNE VENKATESHWAR REDDY)

Place: New Delhi

**Director
DIN: 06806811**

**Director
DIN: 06446233**

Annexure-I**Form AOC-1**

Statement (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**Part A
Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Name of the subsidiary	Solis Industries Limited
The date since when subsidiary was acquired	22/01/2016 (Incorporated as subsidiary)
Reporting period for the subsidiary concerned	April 2019-March 2020
Reporting currency	INR
Share Capital	1,00,000
Reserves and Surplus	-1,11,694
Total Assets	30,106
Total Liabilities	30,106
Investments	-
Turnover	-
Profit before Taxation	-25,075
Provision for Taxation	-
Profit after Taxation	-25,075
Proposed Dividend	-
Extent of shareholding (in percentage)	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: Solis Industries Ltd
- Names of subsidiaries which have been liquidated or sold during the year: Nil

**For Mulra D Gala
(Chartered Accountants)**

For and on behalf of Board of Directors of
Corporate Merchant Bankers Limited

Sd/-
(Mulraj D Gala)
Proprietor
Membership No.: 041206

Sd/-
Satyanarayana Kaduri
(Director & CEO)
DIN: 06806811

Sd/-
Parne Venkateshwar Reddy
(Director)
DIN: 06446233

Signed at New Delhi on
05 December, 2020

Sd/-
Suresh Kumar Ciddam
(Chief Financial Officer)

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules,
2014)**

**To,
The Members of
M/s. CORPORATE MERCHANT BANKERS LIMITED
CIN: L74899DL1994PLC061107
UG-24, Vishwadeep Tower, District Centre,
JanakPuri ,New Delhi ,West Delhi - 110058 India.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. CORPORATE MERCHANT BANKERS LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial year ended on 31st March, 2020, complied with statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

UDIN: L74899DL1994PLC061107

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (Not applicable to the company during the audit period);
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. (Not applicable to the company during the audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. (Not applicable to the company during the audit period);
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (Not applicable to the company during the audit period);
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (Not applicable to the company during the audit period);
 - i. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (Not applicable to the company during the audit period);
6. Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to Non-Deposit taking NBFC which are specifically applicable to the Company.

The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are:

7. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder;
8. The Information Technology Act, 2000;
9. For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.
10. The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

We have also examined compliance with the applicable clauses of the following:

1. Listing Agreements entered into by the Company with BSE Ltd read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The Secretarial Standards issued by the Institute of Company Secretaries of India for Board Meetings SS-1, General Meetings SS-2 as amended from time to time.
3. During the period under review the company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above, subject to the observation elsewhere mentioned in the report:

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive, Woman Director and the Independent Director. However Mr. Satyanarayana Kaduri has disqualified under section 164(2) of the Companies Act, 2013 till 31.10.2023. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has not taken any actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:-

This report be read with our letter of even date which is annexed as Annexure-'A' and forms an integral part of this report.

**For VCSR & ASSOCIATES.
(Company Secretaries)**

Sd/-

**(Ch. Veeranjanyulu)
Partner
(CP No.6392)**

**Place: New Delhi
Date: 05/12/2020**

Annexure "A"

**To,
The Members of
M/s. CORPORATE MERCHANT BANKERS LIMITED
CIN: L74899DL1994PLC061107
UG-24, Vishwadeep Tower, District Centre,
JanakPuri ,New Delhi ,West Delhi - 110058 India.**

Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit. We have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, I followed provide a reasonable basis for my opinion.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Wherever required, We have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

During the course of my examination of the books and records of the Company, that has been carried out in accordance with generally accepted practices in India, We have neither come across any instance of fraud on or by the Company, nor the Company has noticed and reported any such case during the year and accordingly the Company has not informed me of any such case.

**For VCSR & ASSOCIATES.
(Company Secretaries)**

**Place: New Delhi
Date: 05/12/2020**

**Sd/-
(Ch. Veeranjanyulu)
Partner
(CP No.6392)**

Annexure-III**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2020**

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION & OTHER DETAILS:

I	CIN	L74899DL1994PLC061107
II	Registration Date	August 26, 1994
III	Name of the Company	Corporate Merchant Bankers Limited
IV	Category/Sub-category of the Company	Company limited by shares
V	Address of the Registered office and contact details	UG-24, Vishwadeep Tower, District Centre, JanakPuri, New Delhi - 110 058 Phone: +91-11-65382244 Email: cmbldelhi@gmail.com
VI	Whether listed Company	Yes
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any:-	M/s. Skyline Financial Services Private Limited D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110 020 Phone: +91-11-26812681-88 Contact Person: Mr. VirenderRana Email: viren@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

S. No	Name and Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Financial consultancy services	99715910	100%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Cosmos Industries Limited	U15421DL1998PLC096875	Holding	59.99%	Section 2(87)(ii)
2	Solis Industries Limited	U74900TG2016PLC102870	Subsidiary	100%	Section 2(87)(ii)

Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	3300000	3300000	100.00%	2500	3297500	3300000	100.00%	0.00%

(ii) SHARE HOLDING OF PROMOTERS

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year#
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company#	% of Shares Pledged / encumbered to total shares	
1	BhavnaYadav	177000	5.36%	-	177000	5.36%	-	-
2	Deepak Yadav	308500	9.35%	-	308500	9.35%	-	-
3	Cosmos Industries Limited	1979580	59.99%	-	1979580	59.99%	-	-
	Total	2465080	74.70%	-	2465080	74.70%	-	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (please specify if there is no change)

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	%of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2465080	74.70%	2465080	74.70%
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat Equity etc.	(No Change)	(No Change)	(No Change)	(No Change)
	At the end of the Year	2465080	74.70%	2465080	74.70%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)

SN	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	PONNAKANTI SAMBASIVA RAO				
	At the beginning of the year	99,000	3.00%	99,000	3.00%
	Shares Acquired/sold	0	0.00%	99,000	3.00%

	At the end of the year	99,000	3.00%	99,000	3.00%
2	BANDHAVIRAMAM VASU				
	At the beginning of the year	66000	2.00%	66000	2.00%
	Shares Acquired/sold	0	0.00%	66000	2.00%
	At the end of the year	66000	2.00%	66000	2.00%
3	MADALA PEDA NAGESWARA RAO				
	At the beginning of the year	62700	1.90%	62700	1.90%
	Shares Acquired/sold	0	0.00%	62700	1.90%
	At the end of the year	62700	1.90%	62700	1.90%
4	MYNENI NAVYA				
	At the beginning of the year	57750	1.75%	57750	1.75%
	Shares Acquired/sold	0	0.00%	57750	1.75%
	At the end of the year	57750	1.75%	57750	1.75%
5	MADALA NAGA MALLESWARI				
	At the beginning of the year	52800	1.60%	52800	1.60%
	Shares Acquired/sold	0	0.00%	52800	1.60%
	At the end of the year	52800	1.60%	52800	1.60%
6	DYAPA VEERA RAGHAVA REDDY				
	At the beginning of the year	31650	0.96%	31650	0.96%
	Shares Acquired/sold	0	0.00%	31650	0.96%
	At the end of the year	31650	0.96%	31650	0.96%
7	GADDE NARASIMHA RAO				
	At the beginning of the year	29700	0.90%	29700	0.90%
	Shares Acquired/sold	0	0.00%	29700	0.90%
	At the end of the year	29700	0.90%	29700	0.90%
8	DEPA VENKAT NARAYANA REDDY				
	At the beginning of the year	29700	0.90%	29700	0.90%
	Shares Acquired/sold	0	0.00%	29700	0.90%
	At the end of the year	29700	0.90%	29700	0.90%
9	KOMATIREDDY NARENDER REDDY				
	At the beginning of the year	28700	0.87%	28700	0.87%

	Shares Acquired/sold	0	0.00%	28700	0.87%
	At the end of the year	28700	0.87%	28700	0.87%
10	TIYYAGURA SUDHAKAR REDDY				
	At the beginning of the year	27000	0.82%	27000	0.82%
	Shares Acquired/sold	0	0.00%	27000	0.82%
	At the end of the year	27000	0.82%	27000	0.82%

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year April 01, 2018		Cumulative Shareholding at the end of the year March 31, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in Shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	-	-	-	-
	At the end of the year	NIL	NIL	NIL	NIL

(vi) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I) Principal Amount	NIL	NIL	NIL	NIL
II) Interest due but not paid				
III) Interest accrued but not due				
Total (I+II+III)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction				

Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
I) Principal Amount				
II) Interest due but not paid				
III) Interest accrued but not due				
Total (I+II+III)	NIL	NIL	NIL	NIL

(vii) Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act,1961		
	(b) Value of perquisites u/s17(2)Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section17(3)Income- tax Act,1961	NIL	NIL
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others, specify		
5	Others, please specify	-	-
	Total(A)		-
	Ceiling as per the Act		-

Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	Vandana Gupta	Naubahar Singh	

	(a) Fee for attending board committee meetings			
	(b) Commission			
	(c) Others, please specify			
	Total (1)			
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings	-	-	
	(b) Commission	-	-	
	(c) Others, please specify.	-	-	
	Total (2)	-	-	
	Total (B)=(1+2)			
	Total Managerial Remuneration	-	-	
	Overall Ceiling as per the Act.	-	-	

c. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		1,50,000		
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
		-			
	Total		1,50,000		

Viii PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Company	Brief Description	Details of Penalty/Punishment/	Authority (RD/NCLT/ Court)	Appeal made if any (give details)

	s Act		Compounding fees imposed		
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

**By Order of Board
Corporate Merchant Bankers Limited**

Sd/-

Sd/-

Date: December 05, 2020
Place: New Delhi

(SATYANARAYANA KADURI)
Director
DIN: 06806811

(PARNE VENKATESHWAR REDDY)
Director
DIN: 06446233

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
M/s. CORPORATE MERCHANT BANKERS LIMITED
CIN: L74899DL1994PLC061107
UG-24, Vishwadeep Tower, District Centre,
Janak Puri ,New Delhi ,West Delhi - 110058 India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Corporate Merchant Bankers Limited having CIN: L74899DL1994PLC061107 and having registered office at UG-24, Vishwadeep Tower, District Centre, Janak Puri ,New Delhi ,West Delhi - 110058 India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, We hereby certify that none of the Directors, Except Satyanarayana Kaduri on the Board of the Company as stated below for the Financial Year ending on 31stMarch, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Sukanya Pittala	08146455	07/02/2020
2.	Parne Venkateshwar Reddy	06446233	28/11/2014
3.	*Satyanarayana Kaduri	06806811	28/11/2014
4.	Naubahar Singh	07377882	02/02/2016

* Mr. Satyanarayana Kaduri is disqualified under Section 164(2) of the Companies Act, 2013 till 31.10.2023.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For VCSR & ASSOCIATES
(Company Secretaries)
Sd/-

Place: New Delhi
Date: 05/12/2020

(Ch. Veeranjanyulu)
Partner
(CP No.6392)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

I. INDUSTRY STRUCTURE AND DEVELOPMENT:

The year witnessed a highly dynamic situation of our Country; India must be consistent in regaining its position as a leading emerging market investment destination. This can only be possible if consistency and clarity continues in our policies.

Corporate Merchant Bankers Limited is an NBFC and is engaged mainly in the business of providing loans and advances to various Corporates. The main objective of the Company is to finance Industrial Enterprises by way of making loans and advances to industrial enterprises in India and to carry out all such activities as may be ancillary to the achievement of main objectives of the Company. The industry structure relevant to the Company's operations is mainly concerned with the capital market.

Indian economy is going through a period of rapid 'financial liberalization'. The NBFC sector is undergoing a significant transformation at present and has come to be recognized as an important element of the financial system. Today, the 'intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products. RBI has been setting right its regulatory and supervising policies from time to time to keep pace with the changes in the economic environment. The segment consisting of NBFCs, such as equipment leasing/hire purchase finance, providing loans and investment to other companies, etc. have made great strides in recent years and are meeting the diverse financial needs of the economy. They are being recognized as complementary to the banking sector due to their customer-oriented services, simplified procedures, attractive rates of return on deposits, flexibility and timeliness in meeting the credit needs of specified sector.

Your Company's performance for the year 2019-20 has to be viewed in the context of aforesaid economic and market environment.

II. OPPORTUNITIES AND THREATS:

The sector uses the loans for various business activities ranging from the business of hire Purchase Company and to acquire, to provide on all type hire purchase basis of industrial and official plant, equipment machinery, vehicles, Agriculture, Handicrafts, Trading, Services, Shops, Livestock, and Production to others. As banks are unable to appraise the credit requirements of the micro and small businesses they are unable to extend credit facilities with collateral security. The banking system will not be able to meet this demand and a wide gap exists giving the Company an opportunity to grow in its financing of Small Business/ Industrial Loans. Major threat faced by Corporate Merchant Bankers Limited would be circumstances of not being able to raise funds for its future business operations.

III. SEGMENT-WISE PERFORMANCE:

The Company is engaged in a single segment i.e. finance/lending. Details of performance have been provided in this report.

IV. OUTLOOK:

Corporate Merchant Bankers Limited expects to improve its performance in financial year 2019-20 and hopes to grow at rate faster than the growth of bank credit. The approach would be to continue with the growth momentum while balancing risk. The Company will continue to invest in strengthening risk management practices; and in maintaining its investment in human resources to consolidate its position as a potentially big NBFC in India.

V. RISK MANAGEMENT:

Risk Management is an integral part of our Company's business strategy. A dedicated team is a part of the management processes governed by the senior management team. This team reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyzes risk exposure related to specific issues and provides oversight of risk across the organization. The team nurtures a healthy and independent risk management function to avoid any kind of misappropriations in the Company. As part of the Risk Management framework, the management of Credit Risk, Market Risk, Operational Risk and Fraud Risk are placed under the Head – Risk. The Credit Risk management structure includes separate credit policies and procedures for various businesses. The risk policies define prudential limits, portfolio criteria, exceptional approval metrics, etc. and cover risk assessment for new product offerings. Concentration Risk is managed by analyzing counter-party, industry sector, geographical region, single borrower and borrower group. Retail Finance credit approval is based on product / programs and monitoring is primarily done at the portfolio level across products and programs. Casual analysis is carried out and corrective actions are implemented on key risk indicators. A Senior Management oversight committee meets periodically to review the operational risk profile of the organization. Fraud risks are mitigated through a fraud risk management team.

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal control system is commensurate with the size, nature and operations of the Company.

VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

The financial performance of the Company during the year under reference was reasonably good. For detailed information, please refer to Directors' Report, which forms part of this Annual Report.

VIII. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

We recognize people as our most valuable asset and we have built an open, transparent and meritocratic culture to nurture this asset. Talent Management is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within our Organization. Attrition has been managed well and has been below industry benchmarks. Corporate Merchant Bankers Limited has kept a sharp focus on Employee Engagement. We follow 360 degree feedback to ensure the satisfaction of our people. We have a strong system of grievance handling too. No concern of our people goes without addressing. We strive for excellence by thriving on Corporate Merchant Bankers Limited's positivity. As on March 31, 2020, total number of employee on the pay roll of the Company is Two (2).

By Order of Board

Corporate Merchant Bankers Limited

Sd/-

Date: December 05,2020

(SATYANARAYANA KADURI)

Place: New Delhi

**Director
DIN: 06806811**

Sd/-

**(VENKATESHWAR PARNE
REDDY)**

**Director
DIN: 06446233**

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CORPORATE MERCHANT BANKERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Corporate Merchant Bankers Limited** (“the Company”) which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143 (11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company’s preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over

financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion

on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigation which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mulraj D Gala & Co
Chartered Accountant
FRN: 0145406W

(Mulraj D Gala)
Proprietor
Membership No: 041206

Place: New Delhi
Date: July 31,2020

Annexure A to Independent Auditors' Report for the year ended March 31, 2020

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

- i. In respect of fixed assets:
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b) The Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - c) According to the information and explanations given to us, there is no immovable property held by the company, accordingly the provisions of Clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.
- ii. In respect of Inventories:
 - a) Physical verification of inventory has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
 - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - c) The Company has maintained proper records of inventories. As per the information and explanation given to me, no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the provisions of clause iii (a) to (c) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.
- iv. According to the information and explanations given to us, the Company has not given any loan to Directors or persons connected with them as per the provisions mentioned in section 185 of the companies Act, 2013. Company has made investments in other bodies corporate and complied the provisions of section of 186 of the Companies Act, 2013.

v. In respect of public deposit:

According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there-under. Therefore the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. In respect of cost records:

Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State insurance, income-tax, Sales-Tax, Wealth Tax, Service tax, duty of Custom, duty of Excise, value added tax, cess and Entertainment Tax etc. There are no undisputed dues payable, outstanding as on March 31, 2020 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

viii. The Company has not taken any loans from financial institutions, Banks, Government or through debentures during the audit period.

ix. The company has not raised money by way of initial Public offer or further public offer (including debt instruments) and term loans during the year under audit.

x. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.

xii. As explained, the company is not a Nidhi company. Therefore the provisions of Clause (xii) of paragraph 3 of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Act, to the extent applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, No non cash transactions with Directors or persons connected with him have been noticed or reported during the year as per the provisions of Section 192 of the Act.
- xvi. According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii. According to the information and explanations given to us, we report that the Company is meeting net owned funds requirement of Rs. 2.00 Crores as on 31st March 2020.
- xviii. According to the information and explanations given to us, it is entitle to hold certificate of registration as on 31st March 2020 in terms of its principal business criteria i.e. net owned funds is more than Rs. 2.00 Crores

For Mulraj D Gala & Co
Chartered Accountant
FRN: 0145406W

(Mulraj D Gala)
Proprietor
Membership No: 041206

Place: New Delhi
Date: July 31,2020

Annexure B to Independent Auditors' Report for the year ended March 31, 2020

(Referred to in Paragraph 2(f) under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Corporate Merchant Bankers Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and

operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020 based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Mulraj D Gala & Co

Chartered Accountant
FRN: 0145406W

(Mulraj D Gala)

Proprietor

Membership No: 041206

Place: New Delhi

Date: July 31, 2020

CORPORATE MERCHANT BANKERS LIMITED
STANDALONE BALANCE SHEET AS AT 31st MARCH 2020

(Amount in Rs.)

	PARTICULARS	Note No.	As at March 31, 2020	As at March 31, 2019
I	<u>ASSETS:</u>			
(1)	Non-current assets			
	(a) Property, Plant and Equipment		-	-
	(b) Capital work-in-progress			
	(c) Goodwill			
	(d) Other Intangible Assets			
	(e) Intangible Assets under development			
	(f) Biological Assets			
	(g) Financial assets			
	(i) Investments	3	1,00,000	1,00,000
	(ii) Other Financial Assets			
	(h) Preliminary Expenses to the extent not written off	2	5,72,500	11,45,000
	(i) Other non-current assets	4	2,28,48,054	2,25,91,270
(2)	Current assets			
	(a) Inventories			
	(b) Financial assets			
	(i) Investments			
	(ii) Trade receivables	5	49,97,858	40,26,314
	(iii) Cash and cash equivalents	6	67,74,768	68,92,057
	(iv) Bank Balances other than (iii) above			
	(v) Loans and advances	7	5,73,885	2,48,595
	(vi) Investments held for Sale			-
	(c) Other current assets			-
	TOTAL ASSETS		3,58,67,065	3,50,03,236
II	<u>EQUITY AND LIABILITIES:</u>			
	Equity			
	(a) Equity Share Capital	8	3,30,00,000	3,30,00,000
	(b) Other Equity			
	(ii) Reserves and Surplus	9	6,87,672	6,72,341
	Liabilities			
(1)	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Long term Borrowings	10	19,77,105	11,42,965
	(b) Deferred tax liabilities (Net)	11	947	947
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Short Term Borrowings			
	(ii) Trade Payables			
	(iii) Other financial liabilities			
	(b) Other current liabilities	12	1,12,657	95,513
	(c) Short Term Provisions	13	88,684	91,470
	(d) Current tax liabilities(Net)			
	TOTAL EQUITY AND LIABILITIES		3,58,67,065	3,50,03,236
	Significant accounting policies and notes to accounts	1 to 16		

As per our report of even date

For Mulraj D Gala & Co
Chartered Accountants
F.R.N:0145406W

For and on behalf of the Board of Directors
CORPORATE MERCHANT BANKERS LIMITED

Sd/-
Mulraj D Gala
Proprietor
M. No. 041206

Sd/-
Satyanarayana Kaduri
Director & CEO
DIN: 06806811

Sd/-
Sukanya Pittala
Director
DIN: 08163277

Place: Mumbai
Date: 31-07-2020

Sd/-
Suresh Kumar Ciddam
CFO

CORPORATE MERCHANT BANKERS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020

(Amount in Rs.)

PARTICULARS		Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
I	Revenue from operations	14	17,81,456	16,16,757
II	Other Income		-	-
III	Total Income (I+II)		17,81,456	16,16,757
IV	Expenses:			
	Employee Benefit Expenses	15	1,15,765	3,26,565
	Administrative Expenses	16	10,72,474	6,96,361
	Preliminary Expenses	2	5,72,500	5,72,500
	Total Expenses		17,60,739	15,95,426
V	Profit before exceptional and extraordinary items and tax (III - IV)		20,717	21,331
	-Exceptional Items		-	-
	-Prior period expenses		-	-
VI	Profit before tax		20,717	21,331
VII	Tax Expense			
	- Current tax		5,386	8,172
	- Deferred tax		-	-
VII	Profit for the period (V-VI)		15,331	13,159
VIII	Other Comprehensive Income (OCI)			
	i) Items that will not be reclassified to profit & loss			
	ii) Income tax relating to items that will not be reclassified to profit & loss			
	Other comprehensive income for the year (net of tax)		-	-
IX	Total Comprehensive Income (VII+VIII)		15,331	13,159
X	Earnings per equity share: (Equity shares of par value of Rs.10/- each)			
	- Basic		0.00	0.00
	- Diluted		0.00	0.00
Significant accounting policies and notes to accounts		1 to 16		

As per our report of even date
For Mulraj D Gala & Co
Chartered Accountants
F.R.N:0145406W

For and on behalf of the Board of Directors
CORPORATE MERCHANT BANKERS LIMITED

Sd/-
Mulraj D Gala
Proprietor
M. No. 041206

Sd/-
Satyanarayana Kaduri
Director & CEO
DIN: 06806811

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Sukanya Pittala
Director
DIN: 08163277

Place: Mumbai
Date: 31-07-2020

Sd/-
Suresh Kumar Ciddam
CFO

CORPORATE MERCHANT BANKERS LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2020

PARTICULARS	Year ended 31-03-2020 Amount in Rs.	Year ended 31-03-2019 Amount in Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	20,717	21,331
Adjustment for:		
Depreciation and Amortisation		
Preliminary Expenses Written off	5,72,500	5,72,500
Differed Tax		
Cash Flows from Operations before changes in assets and liabilities	5,93,217	5,93,831
Movements in Working Capital::		
(Increase)/ Decrease in trade receivables	(9,71,544)	(8,35,776)
(Increase)/Decrease in other Current Assets		
(Increase) / Decrease in Inventories		
(Increase) / Decrease in Loans and Advances	(3,25,290)	(2,48,595)
(Increase) / Decrease in Trade Payables		
(Increase) / Decrease in Short Term Provision	(2,786)	(14,947)
Increase/(Decrease) in Other current liabilities	17,144	(3,00,674)
Change in Working Capital	(12,82,476)	(13,99,992)
Changes in non current assets and liabilities		
Decrease/(Increase) in loans & advances	(2,56,784)	-
Decrease/(Increase) in Long Term Provisions		
Decrease/(Increase) in Other non Current Assets		
Changes in non current assets and liabilities	(2,56,784)	-
Cash Generated From Operations	(9,46,043)	(8,06,161)
Less: Taxes paid	5,386	8,172
Net Cash from operating activities(A)	(9,51,429)	(8,14,333)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Fixed assets and Capital Work In progress		
Bank Balances not considered as Cash and Cash equivalents		-
Investment in equity Shares		
Net cash used in Investing activities (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Share Capital		
Increase / (Decrease) in Borrowings	8,34,140	8,14,755
Interest paid		
Net cash Flow from Financing Activities (C)	8,34,140	8,14,755
Net Increase/(Decrease) in cash & cash equivalents [A+B+C]	(1,17,289)	422
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	68,92,057	68,91,635
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	67,74,768	68,92,057

As per our report of even date
For Mulraj D Gala & Co
Chartered Accountants
F.R.N:0145406W

For and on behalf of the Board of Directors
CORPORATE MERCHANT BANKERS LIMITED

Sd/-
Mulraj D Gala
Proprietor
M. No. 041206

Sd/-
Satyanarayana Kaduri
Director & CEO
DIN: 06806811

Sd/-
Sukanya Pittala
Director
DIN: 08163277

Place: Mumbai
Date: 31-07-2020

Sd/-
Suresh Kumar Ciddam
CFO

CORPORATE MERCHANT BANKERS LIMITED
Statement of Changes in Equity
For the year ended 31 March 2020

a. Equity share capital

(Amount in Rs.)

	Amount
Balance as at the 1 April 2018	3,30,00,000
Changes in equity share capital during 2018-19	-
Balance as at the 31 March 2019	3,30,00,000
Changes in equity share capital during 2019-20	-
Balance as at the 31 March 2020	3,30,00,000

b. Other equity

(Amount in Rs.)

	Reserves and surplus		Items of Other comprehensive income (OCI)	Total
	Statutory Reserve	Retained earnings	Others	
Balance at 1 April 2018	68,125	5,91,057	-	6,59,182
Total comprehensive income for the year ended 31 March 2019				
Profit or loss	2,632	10,527	-	13,159
Other comprehensive income(net of tax)		-	-	-
Total comprehensive income	2,632	10,527	-	13,159
Transactions with owners in their capacity as owners directly in equity	-	-	-	-
Balance at 31 March 2019	70,757	6,01,584	-	6,72,341
Total comprehensive income for the year ended 31 March 20120				
Profit or loss	3,066	12,264	-	12,264
Other comprehensive income(net of tax)		-	-	-
Total comprehensive income	3,066	12,264	-	12,264
Transactions with owners in their capacity as owners	-	-	-	-
Balance at 31 March 2020	73,823	6,13,849	-	6,84,605

As per our report of even date
For Mulraj D Gala & Co
Chartered Accountants
F.R.N:0145406W

For and on behalf of the Board of Directors
CORPORATE MERCHANT BANKERS LIMITED

Sd/-
Mulraj D Gala
Proprietor
M. No. 041206

Sd/-
Satyanarayana Kaduri
Director & CEO
DIN: 06806811

Sd/-
Sukanya Pittala
Director
DIN: 08163277

Place: Mumbai
Date: 31-07-2020

Sd/-
Suresh Kumar Ciddam
CFO

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2020**

1. Corporate information:

Corporate Merchant Bankers Limited (hereinafter referred to as 'Company') was incorporated under the Companies Act, 1956 on 26/08/1994 by the name of 'Corporate Merchant Bankers Private Limited' in the state of Delhi. Subsequently on 26/12/1994, the company has been converted from private limited company to public limited company.

The Company is registered with the Reserve Bank of India as a Non-Deposit Accepting-Non-Banking Financial Company (NBFC) vide registration no.14.00060 dated 14th February,1998.

It is listed on the Bombay Stock Exchange.

The registered office is located at UG-24, Vishwadeep Tower, District Centre, Janak Puri, New Delhi, 110058

2. Significant Accounting Policies

2.1 Presentation of financial statements:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

a) Basis of Preparation:

Ministry of Corporate Affairs (MCA) vide its notification dated 30 March 2016, mandated, listed Non-Banking Financial Companies (NBFCs) having net worth less than rupees five hundred crore to comply with the Indian Accounting Standards (Ind AS) in preparation of their financial statements and quarterly financial results for the accounting periods beginning on or after 1 April 2019 with effective transition date of 1 April 2018.

The Company presents its financial statements to comply with Division III of Schedule III to the Companies Act, 2013 (which provides general instructions for the preparation of financial statements of a non-banking financial company (NBFC) to comply with Ind AS) and the requirements of Ind AS. Further, MCA has amended Schedule III to the Companies Act, 2013 (the 'Act'). Vide the amendment, a new division viz., 'Division III' financial statement format has been introduced for NBFCs effective 11 October 2018.

Accordingly, the financial statements as at and for the year ended 31st March, 2020 are the first financial statements of the Company in accordance with Ind AS. Refer to note no.23 for information on how the Company adopted Ind AS for all periods up to and including the year ended 31st March, 2019. Upto 31st March 2019, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013.

The financial statements of the Company for the year ended 31 March, 2020 have been prepared in accordance with Ind AS and Schedule III to the Act. The corresponding figures for the year ended 31 March 2019 and opening Balance Sheet as on 1 April, 2018 have been recast as per Ind AS and revised Schedule III to the Act. The Company has applied Ind AS 101 'First time adoption of Indian Accounting Standards', for transition from previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company, is detailed in the note no. 24 to the standalone financial statements of the Company.

These financial statements have been prepared and presented on a going concern basis, under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The financial statements do not provide disclosures where the information resulting from that disclosure is not material. However, the financial statements provide

disclosures of all items required by law even if the information resulting from that disclosure is considered to be not material. The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 31st July, 2020.

b) First Time Adoption of Ind AS – Mandatory exceptions /

Optional exemptions:

The financial statements for the year ended 31st March, 2020 are the first financial statements under Ind AS prepared in accordance with Ind AS 101, "First Time Adoption of Indian Accounting Standards". The transition to Ind AS has been carried out from the accounting principles generally accepted, which is considered as the "Previous GAAP", for the purpose of Ind AS-101. The preparation of these financial statements did not result in changes in accounting policies as compared to most recent financial statements prepared under Previous GAAP.

c) Current versus non-current classification

The Company presents its Balance Sheet in order of liquidity. The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

d) Use of Estimates and judgment

The preparation of financial statements, in conformity, with the Ind AS requires the management to make judgement, estimates and assumptions about the carrying amount of assets and liabilities, revenue and expenses, contingent liabilities and the accompanying disclosures, as of the date of the financial statements, that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The few critical estimations and judgments made in applying accounting policies are:

i. Income Taxes:

Significant judgement is required in determining the amount for income tax expenses. There are many transactions and positions for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amount that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ii. Impairment of Non-financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is higher of assets or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or group of assets. Where carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flow are discounted to their present value using pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators. iii. Impairment of Financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

iv. **Fair Value Measurement of Financial Instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

v. **Deferred Tax**

Recognition of deferred tax assets Availability of future taxable profit against which the tax losses carried forward can be used.

vi. **Recognition and Measurement of Provisions and Contingencies**

Key assumptions about the likelihood and magnitude of an outflow of resources.

2.2 **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognises a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

Financial assets:

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity and a financial liability or equity instrument of another entity. The Company recognises a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

Initial recognition and measurement

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial asset measured at amortised cost
- Financial asset at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortised cost

Financial assets are measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortised using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss in finance costs.

Financial assets at fair value through OCI (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms

of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the income statement. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to income statements.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset that does not meet the criteria for classification as at amortised cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognised in the Statement of profit and loss.

De-recognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds receivables.

Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model on the following:

- Financial assets that are measured at amortised cost.
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

ECL is measured through a loss allowance on a following basis:-

- The 12 month expected credit losses (expected credit losses that result from all possible default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Impairment loss allowance (or reversal) recognised during the period is recognised as expense/income in the statement of profit and loss.

Financial liabilities and equity:

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

The Company's financial liabilities include loans and borrowings including trade payables, accrued expenses and other payables.

Initial Recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortised cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.

Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR.

Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged/cancelled/expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and net amount is reported if there is currently enforceable legal right to offset the recognised amounts and there is intention to settle on a net basis, to realise assets and settle the liabilities simultaneously.

Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.3 Share Capital and share premium:

Ordinary shares

Proceeds from issuance of ordinary shares are classified as share capital in equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

2.4 Cash Flows and Cash and Cash Equivalents:

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Ind AS. For the purpose of presentation in the statement of cash flows, Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

2.5 Income tax

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to the items recognised directly in equity or in other comprehensive income.

Current Income Tax:

Current tax includes provision for Income Tax computed under special provision (i.e. Minimum Alternate Tax) or normal provision of Income Tax Act provisions. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities on the basis of estimated taxable Income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Tax:

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future.

Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered. The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to the income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognized to the extent that it is probable that sufficient future taxable income will be available to realise such assets.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

2.6 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or

receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before the revenue is recognised.

Interest Income:

Interest income on financial assets measured at amortised cost is recognised on time proportion basis, using effective interest method. Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

2.7 Earnings per Share:

Basic Earnings per share is computed by dividing the profit from continuing operations and total profits, both attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period, except where the results would be anti-dilutive.

2.8 Provisions, contingent liabilities, contingent assets:

Provisions are recognised when the Company has a present or constructive obligation as a result of past events, when it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each financial reporting period and adjusted to reflect the current best estimate. When the Company expects some or all of the provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

Where effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial information. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a probable asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Company. The Company does not recognise contingent assets but discloses their existence where inflows of economic benefits are probable, but not virtually certain.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

2.9 First Time adoption of Ind AS – Mandatory exceptions /Optional exemptions:

Overall Principle

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2018 (the transition date) by recognising all assets and liabilities whose recognition is required

by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below:

• **Derecognition of financial assets and financial liabilities:**

As set out in Ind AS 101, Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2018 (the transition date).

• **Impairment of financial assets**

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

CORPORATE MERCHANT BANKERS LIMITED
Notes to accounts
NOTE NO 2 Preliminary Expenses

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Deferred Revenue Expenditure		
Opening Balance	11,45,000	17,17,500
Add: Current Year additions		
Less: Written off during the year	5,72,500	5,72,500
	5,72,500	11,45,000

NOTE NO 3 Long Term Loans and advances

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Long term loans and advances	2,28,48,054	2,25,91,270
	2,28,48,054	2,25,91,270

NOTE NO 4 Non-current Investments

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Other Investments		
Investment in Equity Shares		
Investment in equity shares of Solis Industries Limited of Rs. 10	1,00,000.00	1,00,000.00
	1,00,000.00	1,00,000.00
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	1,00,000.00	1,00,000.00
Aggregate provision for diminution in value of investments	-	-

NOTE NO 5 Trade receivables

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
(a) Outstanding for a period exceeding six months from the date they are due for payment:		
Unsecured & considered good	40,26,314	40,26,314
(b) Outstanding for a period not exceeding six months		
Unsecured, considered good	9,71,544	-
	49,97,858	40,26,314

NOTE NO 6 Cash and Cash Equivalents

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
(a) Balance with banks	26,178	25,180
(b) Cheques in Hand		
(c) Cash on Hand	67,48,590	68,66,877
	67,74,768	68,92,057

NOTE NO 7 Short Term Loans and advances

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Deposits, Loans and Advances	5,73,885	2,48,595
Less: Provision for Non-Recoverable Deposits	-	-
Net Deposits, Loans and Advances	5,73,885	2,48,595
	5,73,885	2,48,595

CORPORATE MERCHANT BANKERS LIMITED

Notes to accounts

NOTE NO: 8: EQUITY SHARE CAPITAL:

PARTICULARS	As At March 31,2020		As At March 31,2019	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorised Equity Shares of Rs. 10/- each	70,00,000	7,00,00,000.00	70,00,000	7,00,00,000.00
Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up (Refer foot note (a) to (c) below)	33,00,000	3,30,00,000.00	33,00,000	3,30,00,000.00
Total	33,00,000	3,30,00,000	33,00,000	3,30,00,000

Foot note:

(a) Reconciliation of the number of shares outstanding as at March 31, 2020 and March 31, 2019:

PARTICULARS	As At March 31,2020		As At March 31,2019	
	Number	Amount in Rs.	Number	Rs. In lakhs
Equity Shares outstanding at the beginning of the year	33,00,000	3,30,00,000	33,00,000	3,30,00,000
Addition:	-	-	-	-
Equity Shares outstanding at the end of the year	33,00,000	3,30,00,000	33,00,000	3,30,00,000

(b) Details of Shareholders holding more than 5 % shares:

PARTICULARS	As At March 31,2020		As At March 31,2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1 Deepak Yadav	3,08,500	9.35%	3,08,500	9.35%
2 Bavna Yadav	1,77,000	5.36%	1,77,000	5.36%
3 Cosmos Industries Limited	19,79,580	59.99%	19,79,580	59.99%

(c) Terms and rights attached to the equity shares:

The Company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled for one vote per share. Distribution of dividends and repayment of capital, if any, by the company, shall be subject to the provisions of applicable laws.

NOTE NO 9 Reserves and Surplus

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
(a) Securities Premium:		
(b) General Reserve:		
Opening balance	70,757	68,125
(+ Net profit during the year	3,066	2,632
Closing balance	73,823	70,757
(c) Capital Reserve - Forfeiture of shares	-	-
(d) Retained earnings:		
Opening balance	6,01,584	5,91,057
(+ Net profit during the year	15,331	13,159
(-) Transferred to Statutory Reserve	3,066	2,632
Closing balance	6,13,849	6,01,584
(e) Other Comprehensive income:	-	-
Total (a+b+c)	6,87,672	6,72,341

NOTE NO 10 Long Term Borrowings

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Unsecured Loans form Directors & Related Parties	19,77,105	11,42,965
	19,77,105	11,42,965

NOTE NO 11 Deferred Tax Asset / Liability (Net)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Deferred Tax Liability	947	947
	947	947

NOTE NO 12 Other Current Liabilities

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Creditors for Expenses	1,12,657	95,513
	1,12,657	95,513

NOTE NO 13 Short Term Provisions

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
For Standard Assets	83,298	83,298
Provision for Income Tax	5,386	8,172
	88,684	91,470

CORPORATE MERCHANT BANKERS LIMITED**Notes to accounts****NOTE NO 14 Revenue From Operations**

PARTICULARS	Year ended March 31, 2020	Year ended March 31, 2019
	Amount in Rs.	Amount in Rs.
Consultancy Fee Receipts	17,81,456	16,16,757
	17,81,456	16,16,757

NOTE NO 15 Employee Benefit Expenses

PARTICULARS	Year ended March 31, 2020	Year ended March 31, 2019
	Amount in Rs.	Amount in Rs.
Salaries and Employee benefits	1,15,765	3,26,565
	1,15,765	3,26,565

NOTE NO 16 Administrative Expenses

PARTICULARS	Year ended March 31, 2020	Year ended March 31, 2019
	Amount in Rs.	Amount in Rs.
Advertisement Expenses	26,901	-
Auditors Remuneration	35,400	23,600
Bank Charges	867	1,387
Consultancy and Professional Charges	69,325	8,650
Custodian and Listing Charges	6,31,444	3,79,579
Directors' Sitting Fee	72,000	72,000
General Expenses	14,589	12,769
Office Maintenance	8,630	12,759
Office rent	1,59,300	1,35,900
Printing and Stationary	5,809	3,868
RTA Fee	48,209	45,849
	10,72,474	6,96,361

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

17. Disclosure as required by IND AS -33 -Earnings Per Share-

Particulars	31-03-2020	31-03-2019
Profit after taxation, refund of income tax and before Exceptional Item	15,331	13,159
Profit after taxation, refund of income tax and Exceptional Item	15,331	13,159
Number of Equity Shares (Face Value Rs.10/-)	33,00,000	33,00,000
Earning Per Equity Share - in Rupees - Basic and diluted	0.00	0.00

18. Deferred tax assets/ liabilities –

The Company does not have depreciable assets and the Company has not recognized deferred tax assets or liabilities.

19. Related Party Disclosures

Names of the related parties –

Key Management Personnel –

Mr. Satyanarayana Kaduri - Director & CEO

Mr. Suresh Kumar Ciddam – CFO

Ms. Hema Kumari – Company Secretary

The Company does not have any transactions with related parties as per IND AS -24 'Related Party Disclosures'.

20. Fair Values-

The management assessed that Fair Values of Financial Assets and Liabilities are approximately their carrying values.

21. Financial Instruments - Accounting Classifications and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Principles for Estimating Fair Value

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.

Fair Value Hierarchy-

Financial instruments carried at fair value, by valuation method at 31st March, 2020 at the different levels have been defined as follows:

Level 1:

Category includes financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market.

Level 2:

Category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market,

financial assets with fair values based on broker quotes and assets that are valued using the Company's own valuation models whereby the material assumptions are market observable. The majority of Company's over-the-counter derivatives and several other instruments not traded in active markets fall within this category.

Level 3:

Category includes financial assets and liabilities measured using valuation techniques based on non-market observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Company. The main asset classes in this category are unlisted equity investments as well as unlisted funds.

The carrying amount of debt securities, other financial liabilities, loans, other financial assets, cash and cash equivalents as at 31st March, 2020, 31st March, 2019 and 1st April, 2018 are considered to the same as fair values, due to their short- term nature. These are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counter party credit risk.

22. Risk management objectives and policies

A. Financial risk management

The Company's activities are exposed to a variety of market risk (including interest risk), credit risk and liquidity risk. The Company's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

i. Market Risk

Market rate is the risk that arises from changes in market prices, such as prices, interest rates etc. and will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising returns.

ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise and manage the Company's interest rate risk,

iii. Liquidity Risk

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The principal liabilities of the Company arise in respect of the trade and other payables. Trade and other payables are all payable within 12 months. The Company manages liquidity risk by maintaining adequate surplus, by continuously monitoring forecasts and actual cash flows.

The Company has a system of regularly forecasting cash inflows and outflows and all liquidity requirements are planned. Forecast for trade and other payables is regularly monitored to ensure timely funding. All payments are made within due dates.

The Board receives cash flow projections on a regular basis as well as information on cash balances.

iv. Capital Risk Management

The Company manages its capital to ensure that the Company will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholder value.

v. The Company does not have any foreign currency exposures.

23. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 –

Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force from 2nd October, 2006, certain disclosures are required to be made relating to such enterprises. The Company has no suppliers covered under the MSMED Act. The same has been determined to the extent such parties have been identified on the basis of information available with the company. Other information/disclosures relating to payments made beyond the appointed date, interest accrued and paid and cumulative interest are not applicable being Nil.

a. First time adoption of Ind As -Transition to IND AS:

As stated in Note 2.1 (a) above, the Company's financial statements for the year ended 31st March, 2020 are the first financial statements prepared in compliance with IND AS.

All applicable IND AS have been applied consistently. The resulting difference between the carrying amounts of assets and liabilities under Ind AS and Indian GAAP as of transition date, if any, have been recognised directly in equity at the transition date.

Reconciliation:

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for previous periods. There were no differences between equity presented under Ind AS and Previous GAAP. The following table represent the net profit reconciliations from previous GAAP to Ind AS.

Reconciliation of net profit as per IND AS and Indian GAAP			
			(Rupees)
S. No	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
1	Net Profit after tax as reported under previous GAAP	15,331	13,159
2	Add : / (Less) : INDAS adjustments	-	-
3	Net Profit after tax as per Ind AS	15,331	13,159

b. Reconciliation of Statement of Cash Flows

There were no differences between statement of cash flows presented under Ind AS and Previous GAAP.

c. Segment reporting-

The company is engaged only in the business of providing financial services and accordingly there are no separate reportable segments as per IND AS- 108 on 'Operating Segment'.

- d. As per the current assessment of the Company, no material impact is expected due to COVID-19 on the carrying values of assets and liabilities at the year ended 31st March 2020. The Company has taken into consideration external and internal information for developing various assumption for assessing the fair value of assets and liabilities, the impact whereof may differ from the estimates taken as on the date of approval of financial statements. Any changes due to the changes in situation and circumstances will be taken into consideration if necessary, as and when it materialises.

Signatures to the Notes to the Financial Statements form an integral part of these Financial Statements.

As per our report of even date

For Mulraj D Gala & Co
Chartered Accountants
F.R.N:0145406W

For and on behalf of the Board of Directors
CORPORATE MERCHANT BANKERS LIMITED

Sd/-
Mulraj D Gala
Proprietor
M. No. 041206

Sd/-
Satyanarayana Kaduri
Director & CEO
DIN: 06806811

Sd/-
Sukanya Pittala
Director
DIN: 08163277

Place: Mumbai
Date: 31-07-2020

Sd/-
Suresh Kumar Ciddam
CFO

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENT

The Members

CORPORATE MERCHANT BANKERS LIMITED

Report on Consolidated Financial Statements

We have audited the accompanying financial statements of **M/s Corporate Merchant Bankers Limited** (“the Holding Company”) and its 100% subsidiary M/s Solis Industries Limited (the Holding Company and its subsidiary together referred to as “the Group”) comprising of the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

Management’s Responsibility for the Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the

auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2020, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report that:

- (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (ii) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (iii) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (iv) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (v) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (vi) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.
- (vii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a) The Group has disclosed impact of pending litigation in Notes on Financial Statements under 'Commitments and contingent liabilities not provided for in respect of disputed matters'.
- b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For Mulraj D Gala & Co
Chartered Accountant
FRN: 0145406W

(Mulraj D Gala)
Proprietor
Membership No: 041206

Place: New Delhi
Date: July 31,2020

Annexure A to Independent Auditors' Report for the year ended March 31, 2020
(Referred to in Paragraph 2(f) under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of Corporate Merchant Limited ('the Holding Company') as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date. We have obtained and relied on a report on the Internal Financial Controls over Financial Reporting issued by the Statutory Auditors of the Company's subsidiaries (the Holding Company and the Subsidiary companies hereafter together referred to as 'the group')

Management's Responsibility for Internal Financial Controls

The Group's Management is responsible for establishing and maintaining Internal Financial Controls based on "the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the group;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the group are being made only in accordance with authorisations of management and directors of the group; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the group's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Group considering the essential components of Internal Financial Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mulraj D Gala & Co
Chartered Accountant
FRN: 0145406W

(Mulraj D Gala)
Proprietor
Membership No: 041206

Place: New Delhi
Date: July 31, 2020

CORPORATE MERCHANT BANKERS LIMITED
STANDALONE BALANCE SHEET AS AT 31st MARCH 2020

(Amount in Rs.)

	PARTICULARS	Note No.	As at March 31, 2020	As at March 31, 2019
I	<u>ASSETS:</u>			
(1)	Non-current assets			
	(a) Property, Plant and Equipment		-	-
	(b) Capital work-in-progress			
	(c) Goodwill			
	(d) Other Intangible Assets			
	(e) Intangible Assets under development			
	(f) Biological Assets			
	(g) Financial assets			
	(i) Investments	3	-	-
	(ii) Other Financial Assets			
	(h) Preliminary Expenses to the extent not written off	2	5,82,500	11,65,000
	(i) Other non-current assets	4	2,28,48,054	2,25,91,270
(2)	Current assets			
	(a) Inventories			
	(b) Financial assets			
	(i) Investments			
	(ii) Trade receivables	5	49,97,858	40,26,314
	(iii) Cash and cash equivalents	6	67,94,874	68,97,238
	(iv) Bank Balances other than (iii) above			
	(v) Loans and advances	7	5,73,885	2,48,595
	(vi) Investments held for Sale			-
	(c) Other current assets			-
	TOTAL ASSETS		3,57,97,171	3,49,28,417
II	<u>EQUITY AND LIABILITIES:</u>			
	Equity			
	(a) Equity Share Capital	8	3,30,00,000	3,30,00,000
	(b) Other Equity			
	(ii) Reserves and Surplus	9	5,75,978	5,85,722
	Liabilities			
(1)	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Long term Borrowings	10	20,07,105	11,42,965
	(b) Deferred tax liabilities (Net)	11	947	947
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Short Term Borrowings			
	(ii) Trade Payables			
	(iii) Other financial liabilities			
	(b) Other current liabilities	12	1,24,457	1,07,313
	(c) Short Term Provisions	13	88,684	91,470
	(d) Current tax liabilities(Net)			
	TOTAL EQUITY AND LIABILITIES		3,57,97,171	3,49,28,417
	Significant accounting policies and notes to accounts	1 to 16		

As per our report of even date

For Mulraj D Gala & Co
Chartered Accountants
F.R.N:0145406W

For and on behalf of the Board of Directors
CORPORATE MERCHANT BANKERS LIMITED

Sd/-
Mulraj D Gala
Proprietor
M. No. 041206

Sd/-
Satyanarayana Kaduri
Director & CEO
DIN: 06806811

Sd/-
Sukanya Pittala
Director
DIN: 08163277

Place: Mumbai
Date: 31-07-2020

Sd/-
Suresh Kumar Ciddam
CFO

CORPORATE MERCHANT BANKERS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020

(Amount in Rs.)

PARTICULARS		Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
I	Revenue from operations	14	17,81,456	16,16,757
II	Other Income		-	-
III	Total Income (I+II)		17,81,456	16,16,757
IV	Expenses:			
	Employee Benefit Expenses	15	1,15,765	3,26,565
	Administrative Expenses	16	10,87,549	7,12,750
	Preliminary Expenses	2	5,82,500	5,82,500
	Total Expenses		17,85,814	16,21,815
V	Profit before exceptional and extraordinary items and tax (III - IV)		(4,358)	(5,058)
	-Exceptional Items		-	-
	-Prior period expenses		-	-
VI	Profit before tax		(4,358)	(5,058)
VII	Tax Expense			
	- Current tax		5,386	8,172
	- Deferred tax		-	-
VII	Profit for the period (V-VI)		(9,744)	(13,230)
VIII	Other Comprehensive Income (OCI)			
	i) Items that will not be reclassified to profit & loss			
	ii) Income tax relating to items that will not be reclassified to profit & loss			
	Other comprehensive income for the year (net of tax)		-	-
IX	Total Comprehensive Income (VII+VIII)		(9,744)	(13,230)
X	Earnings per equity share: (Equity shares of par value of Rs.10/- each)			
	- Basic		(0.00)	(0.00)
	- Diluted		(0.00)	(0.00)
Significant accounting policies and notes to accounts		1 to 16		

As per our report of even date
For Mulraj D Gala & Co
Chartered Accountants
F.R.N:0145406W

For and on behalf of the Board of Directors
CORPORATE MERCHANT BANKERS LIMITED

Sd/-
Mulraj D Gala
Proprietor
M. No. 041206

Sd/-
Satyanarayana Kaduri
Director & CEO
DIN: 06806811

Sd/-
Sukanya Pittala
Director
DIN: 08163277

Place: Mumbai
Date: 31-07-2020

Sd/-
Suresh Kumar Ciddam
CFO

CORPORATE MERCHANT BANKERS LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2020

PARTICULARS	Year ended 31-03-2020 Amount in Rs.	Year ended 31-03-2019 Amount in Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	(4,358)	(5,058)
Adjustment for:		
Depreciation and Amortisation		
Preliminary Expenses Written off	5,82,500	5,82,500
Differed Tax		
Cash Flows from Operations before changes in assets and liabilities	5,78,142	5,77,442
Movements in Working Capital::		
(Increase)/ Decrease in trade receivables	(9,71,544)	(8,35,776)
(Increase)/Decrease in other Current Assets		
(Increase) / Decrease in Inventories		
(Increase) / Decrease in Loans and Advances	(3,25,290)	(2,48,595)
(Increase) / Decrease in Trade Payables		
(Increase) / Decrease in Short Term Provision	(2,786)	(14,947)
Increase/(Decrease) in Other current liabilities	17,144	(2,88,874)
Change in Working Capital	(12,82,476)	(13,88,192)
Changes in non current assets and liabilities		
Decrease/(Increase) in loans & advances	(2,56,784)	10,437
Decrease/(Increase) in Long Term Provisions		
Decrease/(Increase) in Other non Current Assets		
Changes in non current assets and liabilities	(2,56,784)	10,437
Cash Generated From Operations	(9,61,118)	(8,00,313)
Less: Taxes paid	5,386	8,172
Net Cash from operating activities(A)	(9,66,504)	(8,08,485)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Fixed assets and Capital Work In progress		
Bank Balances not considered as Cash and Cash equivalents		-
Investment in equity Shares		
Net cash used in Investing activities (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Share Capital		
Increase / (Decrease) in Borrowings	8,64,140	8,14,755
Interest paid		
Net cash Flow from Financing Activities (C)	8,64,140	8,14,755
Net Increase/(Decrease) in cash & cash equivalents [A+B+C]	(1,02,364)	6,270
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	68,97,238	68,90,968
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	67,94,874	68,97,238

As per our report of even date
For Mulraj D Gala & Co
Chartered Accountants
F.R.N:0145406W

For and on behalf of the Board of Directors
CORPORATE MERCHANT BANKERS LIMITED

Sd/-
Mulraj D Gala
Proprietor
M. No. 041206

Sd/-
Satyanarayana Kaduri
Director & CEO
DIN: 06806811

Sd/-
Sukanya Pittala
Director
DIN: 08163277

Place: Mumbai
Date: 31-07-2020

Sd/-
Suresh Kumar Ciddam
CFO

CORPORATE MERCHANT BANKERS LIMITED
Statement of Changes in Equity
For the year ended 31 March 2020

a. Equity share capital

(Amount in Rs.)

	Amount
Balance as at the 1 April 2018	3,30,00,000
Changes in equity share capital during 2018-19	-
Balance as at the 31 March 2019	3,30,00,000
Changes in equity share capital during 2019-20	-
Balance as at the 31 March 2020	3,30,00,000

b. Other equity

(Amount in Rs.)

	Reserves and surplus		Items of Other comprehensive income (OCI)	Total
	Statutory Reserve	Retained earnings	Others	
Balance at 1 April 2018	68,125	5,91,057	-	6,59,182
Total comprehensive income for the year ended 31 March 2019				
Profit or loss	11,252	(24,482)	-	(13,230)
Other comprehensive income(net of tax)		-	-	-
Total comprehensive income	11,252	(24,482)	-	(13,230)
Transactions with owners in their capacity as owners directly in equity	-	-	-	-
Balance at 31 March 2019	79,377	5,66,575	-	6,45,952
Total comprehensive income for the year ended 31 March 20120				
Profit or loss	2,631	(12,375)	-	(12,375)
Other comprehensive income(net of tax)		-	-	-
Total comprehensive income	2,631	(12,375)	-	(12,375)
Transactions with owners in their capacity as owners	-	-	-	-
Balance at 31 March 2020	82,008	5,54,200	-	6,33,577

As per our report of even date
For Mulraj D Gala & Co
Chartered Accountants
F.R.N:0145406W

For and on behalf of the Board of Directors
CORPORATE MERCHANT BANKERS LIMITED

Sd/-
Mulraj D Gala
Proprietor
M. No. 041206

Sd/-
Satyanarayana Kaduri
Director & CEO
DIN: 06806811

Sd/-
Sukanya Pittala
Director
DIN: 08163277

Place: Mumbai
Date: 31-07-2020

Sd/-
Suresh Kumar Ciddam
CFO

CORPORATE MERCHANT BANKERS LIMITED
Notes to accounts
NOTE NO 2 Preliminary Expenses

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Deferred Revenue Expenditure		
Opening Balance	11,65,000	17,47,500
Add: Current Year additions		
Less: Written off during the year	5,82,500	5,82,500
	5,82,500	11,65,000

NOTE NO 3 Long Term Loans and advances

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Long term loans and advances	2,28,48,054	2,25,91,270
	2,28,48,054	2,25,91,270

NOTE NO 4 Non-current Investments

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Other Investments		
Investment in Equity Shares		
Investment in equity shares of Solis Industries Limited of Rs. 10		
	-	-
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	1,00,000.00	1,00,000.00
Aggregate provision for diminution in value of investments	-	-

NOTE NO 5 Trade receivables

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
(a) Outstanding for a period exceeding six months from the date they are due for payment:		
Unsecured & considered good	40,26,314	40,26,314
(b) Outstanding for a period not exceeding six months		
Unsecured, considered good	9,71,544	-
	49,97,858	40,26,314

NOTE NO 6 Cash and Cash Equivalents

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
(a) Balance with banks	26,178	25,180
(b) Cheques in Hand		
(c) Cash on Hand	67,68,696	68,72,058
	67,94,874	68,97,238

NOTE NO 7 Short Term Loans and advances

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Deposits, Loans and Advances	5,73,885	2,48,595
Less: Provision for Non-Recoverable Deposits	-	-
Net Deposits, Loans and Advances	5,73,885	2,48,595
	5,73,885	2,48,595

CORPORATE MERCHANT BANKERS LIMITED

Notes to accounts

NOTE NO: 8: EQUITY SHARE CAPITAL:

PARTICULARS	As At March 31,2020		As At March 31,2019	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorised Equity Shares of Rs. 10/- each	70,00,000	7,00,00,000.00	70,00,000	7,00,00,000.00
Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up (Refer foot note (a) to (c) below)	33,00,000	3,30,00,000.00	33,00,000	3,30,00,000.00
Total	33,00,000	3,30,00,000	33,00,000	3,30,00,000

Foot note:

(a) Reconciliation of the number of shares outstanding as at March 31, 2020 and March 31, 2019:

PARTICULARS	As At March 31,2020		As At March 31,2019	
	Number	Amount in Rs.	Number	Rs. In lakhs
Equity Shares outstanding at the beginning of the year	33,00,000	3,30,00,000	33,00,000	3,30,00,000
Addition:	-	-	-	-
Equity Shares outstanding at the end of the year	33,00,000	3,30,00,000	33,00,000	3,30,00,000

(b) Details of Shareholders holding more than 5 % shares:

PARTICULARS	As At March 31,2020		As At March 31,2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1 Deepak Yadav	3,08,500	9.35%	3,08,500	9.35%
2 Bavna Yadav	1,77,000	5.36%	1,77,000	5.36%
3 Cosmos Industries Limited	19,79,580	59.99%	19,79,580	59.99%

(c) Terms and rights attached to the equity shares:

The Company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled for one vote per share. Distribution of dividends and repayment of capital, if any, by the company, shall be subject to the provisions of applicable laws.

NOTE NO 9 Reserves and Surplus

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
(a) Securities Premium:		
(b) General Reserve:		
Opening balance	79,377	68,125
(+ Net profit during the year	2,631	11,252
Closing balance	82,008	79,377
(c) Capital Reserve - Forfeiture of shares	-	-
(d) Retained earnings:		
Opening balance	5,06,345	5,30,827
(+ Net profit during the year	(9,744)	(13,230)
(-) Transferred to Statutory Reserve	2,631	11,252
Closing balance	4,93,970	5,06,345
(e) Other Comprehensive income:	-	-
Total (a+b+c)	5,75,978	5,85,722

NOTE NO 10 Long Term Borrowings

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Unsecured Loans form Directors & Related Parties	20,07,105	11,42,965
	20,07,105	11,42,965

NOTE NO 11 Deferred Tax Asset / Liability (Net)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Deferred Tax Liability	947	947
	947	947

NOTE NO 12 Other Current Liabilities

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
Creditors for Expenses	1,24,457	1,07,313
	1,24,457	1,07,313

NOTE NO 13 Short Term Provisions

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	Amount in Rs.	Amount in Rs.
For Standard Assets	83,298	83,298
Provision for Income Tax	5,386	8,172
	88,684	91,470

CORPORATE MERCHANT BANKERS LIMITED**Notes to accounts****NOTE NO 14 Revenue From Operations**

PARTICULARS	Year ended March 31, 2020	Year ended March 31, 2019
	Amount in Rs.	Amount in Rs.
Consultancy Fee Receipts	17,81,456	16,16,757
	17,81,456	16,16,757

NOTE NO 15 Employee Benefit Expenses

PARTICULARS	Year ended March 31, 2020	Year ended March 31, 2019
	Amount in Rs.	Amount in Rs.
Salaries and Employee benefits	1,15,765	3,26,565
	1,15,765	3,26,565

NOTE NO 16 Administrative Expenses

PARTICULARS	Year ended March 31, 2020	Year ended March 31, 2019
	Amount in Rs.	Amount in Rs.
Advertisement Expenses	26,901	-
Auditors Remuneration	47,200	35,400
Bank Charges	867	1,387
Consultancy and Professional Charges	69,325	8,650
Custodian and Listing Charges	6,31,444	3,79,579
Directors' Sitting Fee	72,000	72,000
General Expenses	14,589	12,769
Office Maintenance	11,905	17,348
Office rent	1,59,300	1,35,900
Printing and Stationary	5,809	3,868
RTA Fee	48,209	45,849
	10,87,549	7,12,750

Form No. MGT-12
Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies
(Management and Administration) Rules, 2014]

CIN	L74899DL1994PLC061107	
Name of the Company	CORPORATE MERCHANT BANKERS LIMITED	
Registered Office	UG-24, Vishwadeep Tower, District Centre, Janak Puri New Delhi West Delhi DL 110058 IN	
BALLOT PAPER		
S. NO.	Particulars	Details
1.	Name of the First Name Shareholder (In block letters)	
2.	Postal Address	
3.	Registered folio No. /Client Id NO. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

S. No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
ORDINARY BUSINESS				
1	To receive, consider and adopt (a) the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Auditors thereon			
2	To Re-appointment of Kaduri Satyanarayana, (DIN: 06806811), director who retires by rotation for reappointment			
3.	Regularization of appointment of Ms. SUKANYA PITTALA (DIN: 08146455) as director of the company.			

Place:
Date:

(Signature of the Shareholder)

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP-ID/CLIENT-ID*	
Regd. Folio No.#	
No. of shares held	
Whether the member is attending the meeting in person or by proxy or by authorized representative.	
Name of the proxy (to be filed in if proxy attends instead of the member).	

**Applicable for investors holding shares in Electronic form.*

Applicable for investors holding shares in Physical form.

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company. I/we hereby record my/our presence at the Annual General Meeting of the Company held on Thursday, December 31, 2020 at 10:00 A.M., at UG-24, Vishwadeep Tower, District Centre, Janak Puri, New Delhi – 110 058.

**Signature of the Member/Proxy
(To be signed at the time of handing over the slip)**

Form No. MGT-11

Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: L74899DL1994PLC061107

Name of the Company: CORPORATE MERCHANT BANKERS LIMITED

Registered Office: UG-24, Vishwadeep Tower, District Centre, Janakpuri, New Delhi – 110 058

Name of the Member(s)		
Registered Address:		
E-mail Id:		
*DP Id. / Client Id.		Regd. Folio No.

(* Applicable for members holding share(s) in electronic form)

I / We, being the member(s) of shares of the above named company, hereby appoint:

1. Name : _____
Address : _____
E-mail ID : _____
Signature : _____, or failing him _____

2. Name : _____
Address : _____
E-mail ID : _____
Signature : _____, or failing him _____

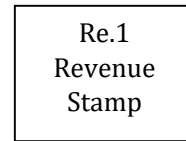
3. Name : _____
Address : _____
E-mail ID : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **26th Annual General Meeting** of the Company, to be held on Thursday, December 31, 2020 at 10:00 A.M. at at UG-24, Vishwadeep Tower, District Center, Janakpuri, New Delhi and at any adjournment thereof in respect of such resolutions as are indicated below:

Resoluti on No.	Resolutions	Optional	
		For	Against
1	Adoption of Financial Statements		
2.	Re-appointment of Mr. Kaduri Satyanarayan, Director of the Company		
3.	Regularization of appointment of Ms. SUKANYA PITTALA (DIN: 08146455) as director of the company.		

Signed this _____ day of _____ 2020.

Affix Revenue Stamp
Signature of Shareholders(s)

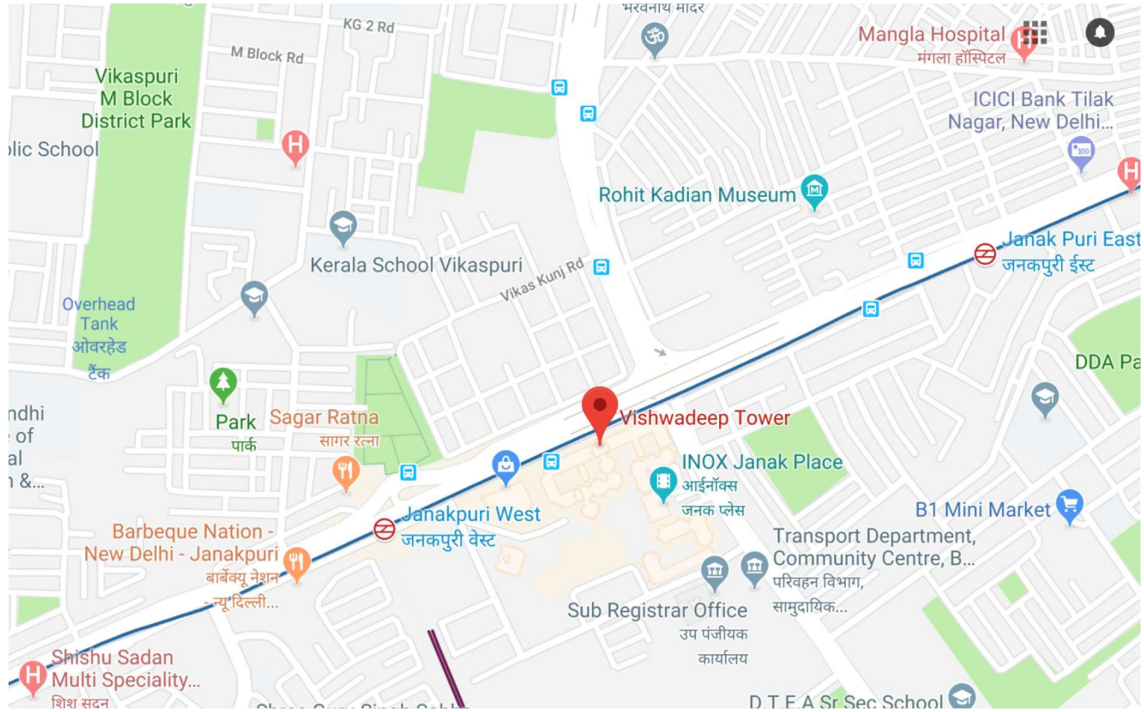


Signature of Proxy holders(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
3. It is optional to put a (√) in the appropriate column against the Resolution indicated in the Box. If, you leave the ' For' and 'against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she think appropriate.

Route Map for AGM Venue



If undelivered please return to:

CORPORATE MERCHANT BANKERS LIMITED

Registered Office: UG-24, Vishwadeep Tower, District Centre, Janak Puri New Delhi
- 110058